



Request for City Council Committee Action From Community Planning and Economic Development Department

Date: November 10, 2003

To: Council Member Lisa Goodman, Chair
Community Development Committee

Referral to: None

Subject: Transition actions related to CPED policies and procedures

Recommendations:

1a) Approve program guidelines as listed in attachment 3a which were previously approved by the MCDA Board.

1b) Authorize CPED Director to make technical revisions related to the creation of CPED to all active program guidelines as listed in attachments 3a and 3b.

1c) Direct CPED to provide the Mayor and Council with an updated version of all program guidelines prior to year end.

2) Approve the revised development process administrative procedures as listed in attachments 4a, 4b, 4c, and delete the Administrative Procedure for Review of Development Proposals by an Interdisciplinary Proposal Review Teams all of which were originally part of 96R-010:

- Administrative Procedure for Preparing, Approving and Amending Development Objectives
- Administrative Procedure for Preparing, Approving and Amending Project Plans and Finance Plans
- Administrative Procedure for Preparing, Approving and Amending CPED Program Guidelines

3) Direct CPED, City Attorney, Public Works and Finance staff to return by April 1, 2004 with recommendations for a consolidated set of guidelines for real property acquisition and disposition for use by the City and MCDA. Real estate transactions involving MCDA assets will continue to utilize MCDA acquisition and disposition guidelines and procedures until such time as the City Council approves new guidelines. To the extent permitted by charter and ordinance, the City will utilize existing MCDA guidelines and processes for real property acquisitions and dispositions for those assets transferred from MCDA to the City or acquired by the City on behalf of CPED until such time as the City Council approves the new consolidated guidelines.

Previous Directives: Resolution 2003R-358 passed August 8, 2003 included various staff directions related to the transfer of employees, assets, and activities from MCDA to CPED. This report focuses on the last item, operational policies and procedures; a separate report will cover the transfer of financial assets. Employees were transferred on August 24th as part of the CPED ordinance.

Prepared or Submitted by: Jeff Schneider, CPED Project Manager, 673-5124

Approved by: Lee Sheehy, Interim Director CPED

Presenters in Committee: Jeff Schneider, CPED Project Manager

Financial Impact (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
☐ Action requires an appropriation increase to the Capital Budget
☐ Action requires an appropriation increase to the Operating Budget
☐ Action provides increased revenue for appropriation increase
☐ Action requires use of contingency or reserves
☐ Other financial impact (Explain):
☐ Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: N/A
City Goals: N/A
Comprehensive Plan: N/A
Zoning Code: N/A
Other: N/A

As part of the package of actions taken on August 8, the City Council passed two resolutions related to the transition of employees, assets, and activities from MCDA to CPED. This report responds to the staff directions related to the transition of administrative and operational processes, policies, and procedures. The full resolution is attached for reference; the key clauses are as follows:

“Be it further resolved that the City Council hereby adopts the existing policies and procedures of the MCDA, except the policies related to procurement of goods and services, as interim policies of the Department. The Department shall follow the goods and services procurement policies of the City.
Be it further resolved that the Director of the Department shall convene an interdisciplinary team with other department heads or their designees to identify policy conflicts or concerns and proposed solutions. The Director shall report back to the City Council with any recommended policy changes by November 1, 2003.”

In response to this resolution, an interdepartmental staff team was convened to review the many policies and procedures governing MCDA and identify appropriate updates and changes required in order to allow CPED to become fully operational by January 1, 2004. Members include staff from CPED, Finance, and Human Resources. Additional departments were included on specific subject areas. A list of team members and subgroups is attached.

The team has identified over 200 policies and procedures governing various aspects of MCDA’s operations. Topics include departmental administrative procedures, program guidelines, development policies, real estate disposition and acquisition procedures, and the MCDA ordinance and by-laws. The team’s basic assumption is that CPED will operate under existing City policies and procedures unless doing so negatively impacts CPED business processes.

Departmental administrative procedures

Most of the administrative procedures were approved by various MCDA executive directors and only require minor updates by the CPED director to reflect the new status as a city department. Examples of these include mileage and travel reimbursement, which will be superceded by existing City procedures, or the communications and media policies, which will continue as departmental policies.

Program Guidelines

A second category of items is program guidelines, all of which have been previously approved by either the MCDA Board, the City Council, or both. A list of the 30+ active program guidelines is included as Attachment 3a and 3b. These guidelines need minor updates to reflect the new organizational structure; in addition, those which have been approved solely by the MCDA Board need to be approved by the City Council. The required revisions are minor housekeeping changes, e.g. inserting the new department name, replacing references to MCDA Board by City Council, and the like. Rather than attach the entire catalog of MCDA program guidelines to this staff report and request individual approvals for each program document, after consulting with Chair Goodman the staff is recommending that the Council authorize the CPED Director to make these organizational and other related technical revisions in program guidelines and direct him to provide the Mayor and Council with a complete set of revised guidelines prior to year end. It is understood that policy-related changes will not be part of these technical updates, and will continue to require Council approval.

Development Process Procedures

A third category is the set of four development process procedures that were approved by resolution as part of the MCDA reform package in February 1996 (96R-010). The first three describe processes relating to the preparation, approval, and amending of development objectives, project and finance plans, and program guidelines. Staff has prepared the required revisions to these three procedures, which also are related to the transition from MCDA to CPED. However, because these procedures govern many programs, and because they were adopted by Council resolution as part of the prior restructuring of the MCDA legal framework, complete texts have been provided in attachment 4. The three procedures are:

4a) Administrative Procedure for Preparing, Approving and Amending Development Objectives

Development Objectives are a means of communicating the City's redevelopment, design and financial objectives and priorities for a particular geographic area. Such geographic areas may be specific sites, specific existing or proposed project areas, or larger areas having significant development issues or opportunities. The Development Objectives are to be established within the context of the City's Comprehensive Plan, and will in turn establish a planning framework within which specific development proposals are to be evaluated.

4b) Administrative Procedure for Preparing, Approving and Amending Project Plans and Finance Plans

A project plan is a document that describes the objectives of the City in undertaking specified public redevelopment activities within a described geographic area. A project plan establishes certain standards and controls to which private redevelopment activity receiving public assistance must conform.

4c) Administrative Procedure for Preparing, Approving and Amending CPED Program Guidelines

Program Guidelines establish the rules and procedures under which CPED will administer a particular program. A program is defined as a statement of goals, a set of rules, regulations and strategies to meet the identified goals, and a description of the proposed financing or money set aside to attain said goals. The Guidelines address the purpose and objectives of the program's use of public funds, eligibility criteria and selection processes, program costs and funding sources, and citizen participation procedures.

The final 1996 procedure regarding Review of Development Proposals by an Interdisciplinary Proposal Review Team is no longer necessary as it described processes to insure collaboration between MCDA, Planning, and Finance. This collaboration is now imbedded within CPED and the Development Finance division of Finance.

Personnel

A fourth category of items is personnel policies and procedures. Most of these are defined in existing labor contracts with former MCDA staff (which continue through the end of 2004), Civil Service Rules or existing City policy and therefore have not required significant further analysis. A labor management team convened by Human Resources is discussing seniority issues related to merger of MCDA job classifications into the City system.

Topics Requiring Further Work

The staff team is continuing to work on a small number of policies and procedures which vary between the MCDA and City, but which would result in some potential negative service impacts if City processes were applied without regard to their effect on the development business. Examples of these include aspects of the purchasing and contracting processes, and real estate acquisition and disposition policies. Discussions are continuing among appropriate staff from CPED, Finance, Public Works, and the City Attorney on these and other matters. Staff expects to work out any substantive differences and, if needed, will bring in recommendations for any Council actions on these items prior to year end. The topic of real estate transactions is a special case which is discussed further below. In this case, staff is recommending continuing to use current MCDA processes until new recommendations are prepared by next April.

Real Estate Acquisition and Disposition Policies

There are several policies and related amendments that collectively comprise the parameters for acquiring and disposing of real property. In addition, there is a broker participation policy that was originally approved in 1991 and was recently amended to exclude housing-related transactions. A subgroup comprised of representatives of CPED, City Attorney, Public Works, and Finance has been reviewing these MCDA policies and related City policies. It is their collective recommendation to spend a few more months working to consolidate the various MCDA policies and to reconcile the differences in the MCDA and City policies, and to return by April 1 with a recommended new set of consolidated guidelines for acquisition and disposition. In the interim, the recommendation is to continue to use the existing MCDA guidelines for both functions; these are:

- MCDA Real Property Disposition Policy (2000-367M, adopted October 27, 2000)
- MCDA Land Acquisition Policy and Procedures (Res # 70-1574, adopted August 20, 1970)

Of course applicable federal and state laws will continue to be the statutory basis for any revised policies and procedures.

Legal Framework

Another category of policies are the legal documents governing MCDA and CPED, specifically the MCDA ordinance, the MCDA by-laws, and the CPED ordinance. Given the creation of CPED, it is anticipated that the MCDA ordinance and by-laws will be substantially shortened to reflect the reduced role of the MCDA going forward. It is also possible that one or more amendments to the CPED ordinance may be advisable. A staff team of attorneys and CPED management is reviewing these documents to determine what course of action to take on these documents; recommendations will be brought forward as they are finalized.

Prevailing Wage on non-federally funded projects

Both MCDA and the City have policies governing the payment of prevailing wages on non-federally funded construction projects. The policies differ in some respects (e.g. minimum dollar threshold) and staff from CPED, Finance, and Civil Rights (which monitors the federal Davis-Bacon wage requirements) are reviewing these further and will return with recommendations and options after their analysis is complete.

Citizen Engagement/Participation

The merger of Planning and MCDA into CPED, amendments to the NRP ordinance, citywide budget constraints, and other factors all impact the way in which CPED relates to its customers, including neighborhood organizations. These impacts are still being analyzed while the department continues to work through operational issues regarding the appropriate roles of Community Planning staff, the former MCDA citizen participation staff, and the NRP. These discussions may result in some changes in the manner in which CPED relates to these stakeholders and partners. Staff will return with further recommendations on this topic after further analysis and when operational roles have been clarified.

Recommendations

1a) Approve program guidelines as listed in attachment 3a which were previously approved by the MCDA Board.

1b) Authorize CPED Director to make technical revisions related to the creation of CPED to all active program guidelines as listed in attachments 3a and 3b.

1c) Direct CPED to provide the Mayor and Council with an updated version of all program guidelines prior to year end.

2) Approve the revised development process administrative procedures as listed in attachments 4a, 4b, 4c, and delete the Administrative Procedure for Review of Development Proposals by an Interdisciplinary Proposal Review Teams all of which were originally part of 96R-010:

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- Administrative Procedure for Preparing, Approving and Amending CPED Program Guidelines

3) Direct CPED, City Attorney, Public Works and Finance staff to return by April 1, 2004 with recommendations for a consolidated set of guidelines for real property acquisition and disposition for use by the City and MCDA. Real estate transactions involving MCDA assets will continue to utilize MCDA acquisition and disposition guidelines and procedures until such time as the City Council approves new guidelines. To the extent permitted by charter and ordinance, the City will utilize existing MCDA guidelines and processes for real property acquisitions and dispositions for those assets transferred from MCDA to the City or acquired by the City on behalf of CPED until such time as the City Council approves the new consolidated guidelines.

Attachment 1
RESOLUTION 2003R-358

By Goodman, Benson, Samuels, Schiff, Zimmermann, Lane, Ostrow, Johnson, Zerby

Approving certain policies and directing certain actions pertaining to the transfer of employees, assets and activities from the Minneapolis Community Development Agency to the City.

Whereas, the City Council, exercising powers granted by Minnesota Laws 2003, Chapter 127, Article 12, Sections 31 – 34, established the Department of Community Planning and Economic Development and authorized transfers to the Department of the money, investments, real estate, personal property, assets, programs, projects, districts, developments and obligations of the Minneapolis Community Development Agency; and

Whereas, the City's Finance Officer has recommended certain due diligence steps and that such transfers occur at the end of the fiscal year; and

Whereas, given that the employees of the Minneapolis Community Development Agency are being transferred to the City effective August 24, 2003, certain employee benefit plans and agreements of the Minneapolis Community Development Agency must be concurrently transferred to the City; and

Whereas, the Department requires policies and procedures in order to guide staff and to facilitate administrative functions related to real estate acquisition and disposition, relocation, establishing development criteria, tax increment financing, tax abatement, citizen participation, bond financing, low income housing tax credits, housing development and finance programs, and business development and finance programs, among other things; and

Whereas, the Minneapolis Community Development Agency has developed certain policies appropriate for adoption by the City on an interim basis; and

Whereas, adoption of such policies at this time does not preclude subsequent modifications or additions by the City as may from time to time be necessary and appropriate;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the Director of the Department, the Finance Officer and the City Attorney, or their designees, shall develop a plan for the orderly transfer of the money, investments, real estate, personal property, assets, programs, projects, districts, developments and obligations of the Minneapolis Community Development Agency to the City. They shall report back to the City Council by November 1, 2003, with their recommendations.

Be It Further Resolved that the City Council transfers, assigns and conveys all deferred compensation plans, pension plans, severance agreements, life, health, dental, accident or disability, workers' compensation, pre-tax premium or flexible spending account plans and other employee benefit plans of the Minneapolis Community Development Agency to the City, effective August 24, 2003. The proper City officers are hereby authorized and directed to sign such documents as are necessary to accomplish the transfer of collective bargaining agreements and benefit plans.

Be It Further Resolved that the City's Director of Human Resources shall determine how to transition former unrepresented and appointed employees of the Minneapolis Community Development Agency to the employee benefit plans and policies of the City by the end of the fiscal year.

Be It Further Resolved that the City will provide services and staffing in support of any continuing Minneapolis Community Development Agency functions.

Be It Further Resolved that the City Council hereby adopts the existing policies and procedures of the Minneapolis Community Development Agency, except the policies pertaining to procurement of goods and services, as interim policies of the Department. The Department shall follow the goods and services procurement policies of the City.

Be It Further Resolved that the Director of the Department shall convene an interdisciplinary team with other department heads or their designees to identify policy conflicts or concerns and proposed solutions. The Director shall report back to the City Council with any recommended policy changes by November 1, 2003.

Adopted 8/8/03. Yeas, 9; Nays, 3 as follows:

Yeas - Schiff, Zerby, Benson, Goodman, Lane, Johnson, Colvin Roy, Zimmermann, Ostrow.

Nays - Lilligren, Johnson Lee, Niziolek.

Absent - Samuels

Attachment 2
Staff Team on CPED Policies and Procedures

Ruben Acosta	673-5052	CPED/Legal
Bob Cooper	673-5239	CPED/Strategic Partnerships
Blake Graham	673-3241	CPED/Planning
Cynthia Lee	673-5266	CPED/Housing
Lee Larson	673-2055	Finance/Procurement
Joan Mathieu	673-5053	Finance/Development Finance
Virginia Parent	673-5136	CPED/Executive [MCDA Board Secretary]
Carol Rogers	673-5116	Human Resources
Jeff Schneider*	673-5124	CPED/Executive Administration
Bill Tetzlaff	673-5168	CPED/Economic Development
Gary Warnberg	673-2177	Finance/Procurement

* Team facilitator

Additional Staff on Selected Topics

	Topic	Facilitator	Sub-group Members
1	Admin-Equip/Space	Lee	Ed Daley Greg Goeke Cheryl Groettum Lee Larson
2	Admin-IT	Jeff	Bill Beck Ed Daley Jeff Schneider
3	Admin-Finance	Jack	Lee Larson Jack Kryst Julie Piwoschuk-Kosmas Mike Sunderman Bob Lind Joan Mathieu Virginia Parent
4	Admin-Legal	Jeff	Peter Ginder Mike Schwab Jeff Schneider
5	Communications (includes data privacy, records mgmt)	Gail (communications) Ruben (data privacy and records mgmt)	Gayle Plewacki / Elizabeth Haugen (communications) Ruben Acosta & Jim Moore (data privacy) Ruben/Craig Steiner/Joan Mathieu (records mgmt)
6	Compliance Enforcement	Jeff	Roger Nubbe Alice Smoot-Gentry Jeff Schneider
7	Personnel	Carol	Sandy Kunick Chuck Lutz Carol Rogers

	Topic	Facilitator	Sub-group Members
8	Development Procedures and Process Steps And Program Guidelines	Cynthia and Bill	Ruben Acosta Jen Bever Cynthia Lee Bob Lind Joan Mathieu Earl Pettiford Shelley Roe Bill Tetzlaff
9	Approval Process	Joan	Joan Mathieu Bev Wilson
10	Finance	Jack	Lee Larson Jack Kryst Julie Piwoschuk-Kosmas Mike Sunderman Bob Lind Joan Mathieu Virginia Parent
11	Real Estate Transactions	Lee	Ruben Acosta Nikki Newman Greg Goeke Earl Pettiford Lee Larson Mike Schwab
12	Legal Framework (includes review of statutes, MCDA & CPED ordinance, MCDA by-laws)	Jeff	Carol Lansing Virginia Parent Mike Schwab Jeff Schneider

Attachment 3A
CPED Program Guidelines approved by MCDA Board only

Program Title	Program Description	Date of MCDA Board Approval and Number
Housing Programs		
CDBG Funded Home Improvement Loan Program Guidelines (83) <i>CityLiving</i> Home Repair, <i>CityLiving</i> Code Abatement, <i>CityLiving</i> Rental Rehab	Loans to homeowners with limited resources using CDBG funds.	3/3/00 Document No. 2000-061M
GMHC 100 Homes Program Guidelines (77)	Century Home Program to sell 100 scattered sites to GMHC for new construction for market rate sales.	11/10/94 Document No. 94-347M
GMHC Homeownership Program Guidelines (86)	Identical to the 100 Homes Program for new construction to buyers at or below 80% of MMI - CDBG funds	3/5/86 Document No. 86-118
Lot Reduction Programs Guidelines and Application Package (90)	Provides subsidy to bridge the gap between total development cost and sales price when it is a loss.	6/9/2000 Document No. 2000-178M
Minneapolis Vacant and Boarded Housing Reduction Guidelines (97)	Acquisition and demolition of existing blighted properties. Parcels are sold for redevelopment.	11/12/87
Non-Profit Housing Development Assistance Program Guidelines (94)	Funds to assist non-profit housing developers to offset administrative costs of developing multi-family housing projects.	Original 1983 Amended 1/7/88 Document No. 88-14M
Economic Development Programs		
Community Economic Development Fund Guidelines and Criteria (76)	Provides necessary public financial assistance to redevelopment efforts in the City's community-level commercial centers and commercial areas.	5/4/89 Document No. 89-110M
Commercial/Industrial Real Estate Broker Participation Program (268)	Encouraging licensed real estate brokers to work with companies to redevelop listed MCDA or city-owned sites.	4/26/91 Document No. 91-87M

Program Title	Program Description	Date of MCDA Board Approval and Number
Neighborhood Economic Development Fund (NEDF) (93)	Provide funding to eligible groups for activities that accomplish the rehabilitation, revitalization or expansion of neighborhood commercial centers.	1/15/87 Document No. 87-21M
2% Commercial Loan Program (101)	Below market-rate financing for building improvements and production equipment.	1986
Working Capital and Micro Loans (102)	Loans provided through a partnership agreement with Minneapolis Consortium of Community Developers.	6/11/01 Document No. 01-153M
Other		
Year 29 Citizen Participation Program Guidelines and Criteria (78)	Governs annual contracts and funding to neighborhood groups	2/14/03 Document No. 03-021M

Attachment 3B
CPED Program Guidelines approved by City Council and/or MCDA Board

Program Title	Program Description	Dates of City Council and MCDA Board Approvals
Housing Programs		
Affordable Housing Trust Fund Program Guidelines (70)	Program provides financing for the development of affordable rental housing and for stabilization/preservation of existing subsidized affordable rental housing.	1/31/03 2003R-017
Emergency Shelter Grant Program Guidelines/Priorities (84)	Federal funding used to renovate or rehabilitate emergency shelters or transitional housing for homeless people.	4/21/00
Housing Revenue Bond Guidelines (100)	Bonds used to finance the acquisition and rehabilitation of new construction and rental units.	1981 81R-543
Home Ownership Works (HOW) Program Guidelines (88)	Renovates existing homes and sells them to low/moderate income first-time home buyers.	3/10/86

Program Title	Program Description	Dates of City Council and MCDA Board Approvals
Low Income Housing Tax Credit Qualified Allocation Plan (238)	Annually approved procedures for using LIHTC.	11/7/03
Preserving or Replacing of SRO-type Housing (128)	Prohibit demolition of Single Room Occupancy-type units for city-assisted projects, or if unavoidable, replacement to be part of the project finance plan.	9/29/2000 2000R-433
Tax-Exempt Multi-family Housing Revenue Bond Selection Criteria (100)	Sets requirements to be imposed on rental housing projects using revenue bond financing.	9/29/95
Economic Development Programs		
Business Association Assistance Program (71)	Contract with business associations or industry groups to advise the MCDA.	8/12/94
Business Development Fund Loan Program. (72)	Gap financing for businesses with credits based on job creation.	7/2/93 Resolution 93R-240
Capital Acquisition Loan Program Guidelines (73)	Real estate loans to assist business owners in acquiring small commercial and industrial properties.	9/26/03 MCDA Document 03-222M
Capital Investment Fund Loans (74)	Gap financing to businesses currently located in Minneapolis or intending to relocate.	4/26/96
Commercial Corridor Fund Spending Guidelines (80)	Provide financial assistance to support projects that provide benefits to multiple businesses or commercial areas.	10/15/99 MCDA Document 99-293M
Living Wage Policy Program Guidelines	Implements the Living Wage program guidelines which include Job Linkage, Living Wage/Business Subsidy Act	2/2/01 2001R-024 MCDA Resolution01-025M
Minneapolis Industrial Land & Employment Strategy (MILES) (92)	Outlines criteria for undertaking assembly of industrial land to redevelop blighted industrial land, assisting in the creation and retention of jobs in the City, and increasing the City's job base.	2/10/89 MCDA Document 99-293M,

Program Title	Program Description	Dates of City Council and MCDA Board Approvals
Taxable Revenue Bond Financing Guidelines	Guidelines on issuance of taxable bonds by the City of Minneapolis.	5/22/87
Tax-Exempt Revenue Bond Financing Guidelines (81)	Includes guidelines on health care bonds, bonds issued outside City of Mpls, and guidelines for issuance of nursing home revenue bonds and PILOT.	10/8/82 MCDA 9/15/82
Other		
MCDA Public Financial Assistance Fee Policy (116)	Establishes application and project analysis fees to be paid by developers requesting financial assistance.	3/22/02 MCDA Document 02-047M

**Administrative Procedure for
Preparing, Approving and Amending
Development Objectives**

Development Objectives are a means of communicating the City's redevelopment, design and financial objectives and priorities for a particular geographic area. Such geographic areas may be specific sites, specific existing or proposed project areas, or larger areas having significant development issues or opportunities. The Development Objectives are to be established within the context of the City's Comprehensive Plan, and will in turn establish a planning framework within which specific development proposals are to be evaluated.

It is intended that Development Objectives be prepared, reviewed and approved prior to the solicitation or receipt of specific development proposals for particular geographic areas. ~~On at least an annual basis, the Minneapolis Community Development Agency (MCDA) Executive Director and the City Planning Director shall identify geographic areas within the City for which Development Objectives are to be prepared. The Executive Director and the City Planning Director shall also periodically review existing Development Objectives to determine the need for revision and updating.~~ The Community Planning & Economic Development (CPED) Director or the City Council may direct that Development Objectives be prepared for a particular area.

Not all geographic areas within which public redevelopment activities are to occur will need Development Objectives; for example, in some cases, existing or proposed redevelopment plans may provide sufficient information about the public development objectives for a particular area. When Development Objectives are approved by the City Council after review by the City Planning Commission, they are to be integrated into subsequent redevelopment and tax increment financing plans that may be approved for the affected geographic area.

~~(Note: The use of the term "Development Objectives" in this context should not be confused with the meaning of the term as defined in City Council Resolution 95R-167 regarding the Job Linkage process, in which the MCDA is directed to identify "development objectives" in all reports to the Board of Commissioners and the City Council. Development objectives in the context of the Job Linkage process means job creation, job retention, tax base enhancement, commercial revitalization and blight elimination.)~~

Direction to Proceed

1. The ~~MCDA Executive Director and the City Planning Director~~CPED Director shall determine when Development Objectives are to be prepared, or the City Council may direct that Development Objectives be prepared for a geographic area. Such geographic areas may be specific sites, specific existing or proposed project areas, or larger areas having significant development issues or opportunities.

2. The ~~Executive Director and the City Planning Director~~CPED Director shall direct ~~MCDA and City Planning Department~~ staff to prepare draft Development Objectives.

Preparation

3. Staff participating in the drafting of the proposed Development Objectives shall include ~~MCDA and the City Planning Department~~CPED staff and representatives of other City departments as deemed appropriate by the ~~Executive~~ Director and the City Planning Director. The City Finance Department shall participate in the drafting of the proposed Development Objectives with respect to financial issues. The staff group shall be ~~co-~~chaired by ~~a~~ representatives of ~~the MCDA and the City Planning Department~~CPED. Staff participating in the drafting of the proposed Development Objectives shall consult affected neighborhood organizations and business associations. When ~~the MCDA and the City Planning Department~~CPED determines that it is appropriate to do so, representatives of other public agencies or departments or other individuals representing a particular area of expertise may be included in the group participating in the drafting of the proposed Development Objectives.
4. Development Objectives shall address the following subjects: Geographic Area, Planning and Redevelopment Framework, Land Uses, Design, Public Improvements and Redevelopment Activities, Finance, Citizen Participation and other subjects as appropriate.

Review

5. The draft Development Objectives are to be transmitted by ~~the MCDA and the City Planning Department~~CPED to interested parties for a 45-day review and comment period. The transmittal letter shall provide information as to how written comments are to be submitted, and how oral comments may be made at public meetings of the City Planning Commission and the Community Development Committee. Interested parties include: affected neighborhood organizations and business associations; affected property owners; and appropriate City departments, boards and agencies. Members of the City Council and the Mayor shall receive courtesy copies of the draft Development Objectives.
6. The City Planning Commission review of the draft Development Objectives shall be a broad review including planning and redevelopment issues, as well as the issue of consistency with the Comprehensive Plan.
7. Comments are due within 45 days of transmittal.
8. Following consideration of comments received during the 45-day review and comment period, ~~the MCDA and the Planning Department shall jointly~~CPED shall prepare a report to the City Council Community Development Committee and Zoning and Planning Committee recommending a final version of the Development Objectives. The report shall include copies or summaries of any written comments received during the review and comment period.

Approval

9. The Community Development Committee and the Zoning and Planning Committee shall consider the staff recommendations on the proposed final version of the Development Objectives, and recommend action to the City Council.
10. The City Council shall approve, amend or reject the Development Objectives.
11. The Mayor shall approve or veto the City Council action.

Implementation

12. ~~The MCDA and the City Planning Department~~CPED shall proceed with appropriate planning and redevelopment activities in accordance with the approved Development Objectives. These activities may include the preparation of additional detailed development criteria, if appropriate.

Evaluation

- ~~13. The MCDA and the City Planning Department shall periodically evaluate the appropriateness of development activities occurring under the approved Development Objectives within the context of an annual sequence of planning and policy making activities, including an annual report to the City Council and the Board of Commissioners from the MCDA and the City Planning Department evaluating the effectiveness of MCDA projects and programs, the State of the City report and address, the Comprehensive Plan, the MCDA's strategic plan and the annual City budget.~~

Amendment

- ~~14.~~ 13. _____ The ~~Executive Director and the City Planning~~CPED Director shall determine when it is necessary and appropriate to propose an amendment to the Development Objectives.
- ~~15.~~ 14. _____ Proposed amendments to the approved Development Objectives shall be prepared by ~~MCDA and City Planning Department~~CPED staff, in consultation with the Finance Department and other City departments that participated in the drafting of the original Development Objectives. Input shall be sought from affected neighborhood organizations and business associations.
- ~~16.~~ 15. _____ A report regarding the proposed amendment to the Development Objectives shall be prepared and submitted to the Community Development Committee and the Zoning and Planning Committee. Affected neighborhood organizations and business associations shall have 45 days to review the proposed amendment.
- ~~17.~~ 16. _____ The Community Development Committee and the Zoning and Planning Committee shall consider the proposed amendment to the Development Objectives, and recommend action to the City Council.

~~18.~~ 17. _____ The City Council shall approve, amend or reject the proposed amendment to the Development Objectives. |

~~19.~~ 18. _____ The Mayor shall approve or veto the City Council action. |

Attachment 4b

Administrative Procedure for

Preparing, Approving and Amending

Project Plans and Finance Plans

A project plan is a document that describes the objectives of the ~~MCDA and the~~ City in undertaking specified public redevelopment activities within a described geographic area. A project plan establishes certain standards and controls to which private redevelopment activity receiving public assistance must conform.

Various state statutes governing public redevelopment activities provide definitions of project plans and require that certain topics be addressed in the plans and that certain procedures be followed in approving project plans. These include: a redevelopment plan as defined in Minnesota Statutes Section 469.002, Subdivision 16 (the Housing and Redevelopment Authority Act); a development program as defined in Minnesota Statutes Section 469.125, Subdivision 3 (the City Development District Act); and a port district plan as described in Minnesota Statutes Section 469.055, Subdivision 10 (the Port Authority Act).

A finance plan is a tax increment financing plan as described in Minnesota Statutes Section 469.175, Subdivision 1 (the Tax Increment Financing Act).

The statutes cited above also require that certain topics be addressed and that certain procedures be followed in approving project plans and finance plans. The procedures described below are in accordance with statutory requirements.

Direction to Proceed

1. The ~~Minneapolis Community Development Agency (MCDA) Executive Director~~ Community Planning & Economic Development (CPED) Director, ~~the Board of Commissioners~~, or the City Council shall direct staff to prepare a draft project plan or finance plan.

Preparation

2. ~~The MCD~~ CPED shall provide written notice to affected neighborhood organizations, business associations, ~~the City Planning Director~~ and the City's ~~Chief Financial~~ Chief Financial Officer of its intent to prepare a proposed plan. This notice shall include a description of the basic features and purpose of the plan to be prepared, and shall be provided at least 45 days prior to the date of the public hearing described in step 13 below.

3. If the plan proposes the establishment of a new housing or redevelopment tax increment financing district, a notice of the intent to prepare the plan shall be sent to each Hennepin County Commissioner representing part of the area within which the proposed district is to be located. This notice shall be provided at least 30 days prior to the date of publication of the notice of public hearing described in step 10 below, in accordance with Minnesota Statutes Section 469.175, Subd. 2a.
4. The proposed project plan or finance plan shall be prepared by ~~the MCDA staff, with the assistance of City Planning Department staff, and CPED~~ with the assistance of the City Finance Department ~~staff with respect to financial issues~~.

Review

5. The proposed plan shall be transmitted ~~by the MCDA~~ to interested parties for a 30-day review and comment period. Interested parties shall include: the City Planning Commission; the Ways and Means/Budget Committee of the City Council; any proposed developer; affected neighborhood groups and business associations; owners of property that is identified for acquisition; the Hennepin County Board of Commissioners (if a tax increment financing plan); the Special School District No. 1 Board of Education (if a tax increment financing plan); and any other parties who are required by law or ordinance to receive the proposed plan. Courtesy copies of the plan shall be sent to City Council Members and the Mayor. The transmittal letter shall include information about the opportunity to provide written comments to ~~the MCDACPED~~, as well as the opportunity to make oral comments at a public hearing conducted by the Community Development Committee.
6. The City Planning Commission shall issue a written opinion regarding the plan's consistency with the Comprehensive Plan within the 30-day review period.
7. Comments shall be due to ~~the MCDACPED~~ within 30 days of transmittal of the proposed plan.
8. ~~The MCDA staff~~~~CPED~~ may revise the proposed plan based on the comments received.

Approval

9. ~~The MCDACPED~~ shall request that a public hearing regarding approval of the proposed plan be scheduled by the Community Development Committee. This request can be made before or during the 30-day review period.
10. The public hearing shall be scheduled by the Community Development Committee. Notice of the public hearing shall be published in accordance with applicable laws and ordinances.
11. The Ways and Means/Budget Committee shall review the proposed plan and submit its comments to the Community Development Committee during the 30-day review period and prior to the date of the public hearing.

12. ~~The MCDACPED~~ shall submit the proposed plan to the Community Development Committee and request approval of the plan. The report to the Community Development Committee shall include copies or summaries of any written comments received by CPED.
~~the MCDA.~~
13. The Community Development Committee shall conduct the public hearing and recommend action to the full City Council.
14. The City Council shall approve, amend or reject the plan ~~and, if approved, shall forward it to the MCDA Board of Commissioners.~~
- ~~15. The MCDA Board of Commissioners shall approve, amend or reject the plan.~~
- ~~16.~~ 15. The Mayor shall approve or veto the City Council ~~and MCDA Board~~ actions.

Implementation

- ~~17.~~ 16. ~~The MCDACPED~~ shall proceed with implementation of the project or district in accordance with the approved plan.

Evaluation

- ~~18. The MCDA and the City Planning Department shall periodically evaluate the effectiveness of development activities occurring under the proposed plan within the context of an annual sequence of planning and policy making activities, including an annual report to the City Council and Board of Commissioners from the MCDA and the City Planning Department evaluating the effectiveness of MCDA projects and programs, the State of the City report and address, the Comprehensive Plan, the MCDA's strategic plan and the annual City budget.~~

Amendment

- ~~19.~~ 17. Modifications or amendments to approved plans shall be prepared, reviewed and approved following the requirements of state law. In most cases, modifications or amendments are approved following the same procedures as approval of the original plan. In any case, affected neighborhood organizations and business associations shall be given adequate opportunity to review and comment on proposed modifications or amendments to approved plans.

Attachment 4c

Administrative Procedure for

Preparing, Approving and Amending

MCDA-CPED Program Guidelines

Program Guidelines establish the rules and procedures under which ~~the Minneapolis Community Development Agency (MCDA)~~ the Department of Community Planning & Economic Development (CPED) will administer a particular program. A program is defined ~~in the MCDA Ordinance~~ as a statement of goals, a set of rules, regulations and strategies to meet the identified goals, and a description of the proposed financing or money set aside to attain said goals. The Guidelines address the purpose and objectives of the program's use of public funds, eligibility criteria and selection processes, program costs and funding sources, and citizen participation procedures.

~~These Administrative Procedures shall apply to new programs established by the MCDA after the date of approval of these procedures by the City Council.~~ Program activities that are to be funded in whole or in part with Neighborhood Revitalization Program (NRP) funds and that have received funding approval from the NRP Policy Board and the City Council are exempt from the requirement to establish Program Guidelines under these procedures.

Direction to Proceed

1. The ~~MCDA Executive Director or the Board of Commissioners~~ CPED Director or the City Council shall direct staff to prepare draft Guidelines for all proposed programs to be administered by ~~the MCDACPED~~.

Preparation

2. Staff participating in the drafting of the proposed Program Guidelines shall include ~~MCDA staff, a representative of the City Planning Department,~~ CPED staff and representatives of other City departments as deemed appropriate by the ~~Executive CPED~~ Director. The City Finance Department shall participate in the drafting of the proposed Program Guidelines with respect to financial issues.
3. Program Guidelines shall address the following subjects: Purpose, Objectives, Eligibility Criteria and Selection Process, Administration, Costs and Funding, Citizen Participation, Monitoring and Reporting, and other subjects as appropriate.

Review

4. The draft Program Guidelines shall be transmitted by ~~the MCDACPED~~ to interested parties for a 45-day review and comment period. The transmittal letter shall provide information as to how written comments are to be submitted to ~~the MCDACPED~~, and how oral comments

may be made at a public meeting of the ~~Board of Commissioners~~Community Development Committee. Interested parties include: the City Planning Commission; affected neighborhood organizations and business associations; and appropriate City departments, boards and agencies. Members of the ~~Board of Commissioners~~City Council and the Mayor shall receive courtesy copies of the draft Program Guidelines.

5. The City Planning Commission review of the draft Program Guidelines and its recommendation shall address the issue of consistency with the Comprehensive Plan.
6. Comments are due to ~~the MCDACPED~~ within 45 days of transmittal of the draft Program Guidelines.
7. Following consideration of comments received during the 45-day review and comment period, ~~the MCDACPED~~ shall prepare a report to the ~~Operating Community Development Committee~~ recommending a final version of the Program Guidelines. The report shall include copies or summaries of any written comments received by ~~the MCDACPED~~.

Approval

8. The ~~Operating Community Development Committee~~ shall consider the written comments and the City Planning Commission and staff recommendations on the proposed final version of the Program Guidelines, and shall recommend action to the ~~Board of Commissioners~~City Council.
9. The ~~Board of Commissioners~~City Council shall approve, amend or reject the Program Guidelines.
10. The Mayor shall approve or veto the action of the ~~Board of Commissioners~~City Council.

Implementation

11. ~~The MCDACPED~~ shall proceed with implementation of the program in accordance with the approved Program Guidelines.

Evaluation

~~12. The MCDA and the City Planning Department shall periodically evaluate the effectiveness of the activities being carried out under the approved Program Guidelines within the context of an annual sequence of planning and policy making activities, including an annual report to the City Council and the Board of Commissioners from the MCDA and the City Planning Department evaluating the effectiveness of MCDA projects and programs, the State of the City report and address, the Comprehensive Plan, the MCDA's strategic plan and the annual City budget.~~

Amendment

- ~~13.~~ 12. The ~~Executive CPED~~ Director shall determine when it is necessary and appropriate to propose an amendment to the Program Guidelines.

- ~~14.~~ 13. _____ Proposed amendments to the approved Program Guidelines shall be prepared by ~~the MCDACPED~~, in consultation with ~~the City Planning Department and the~~ other City departments that participated in the drafting of the original Program Guidelines.
- ~~15.~~ 14. _____ Affected neighborhood organizations and business associations shall be given an opportunity to review and comment on proposed amendments to approved Program Guidelines.
- ~~16.~~ 15. _____ ~~The MCDACPED~~ shall prepare and submit to the ~~Operating Committee~~ Community Development Committee a report regarding the proposed amendment to the Program Guidelines.
- ~~17.~~ 16. _____ The ~~Operating-Community Development~~ Committee shall consider the proposed amendment to the Program Guidelines, and recommend action to the ~~Board of Commissioners~~ City Council.
- ~~18.~~ 17. _____ The ~~Board of Commissioners~~ City Council shall approve, amend or reject the proposed amendment to the Program Guidelines.
- ~~19.~~ 18. _____ The Mayor shall approve or veto the action of the ~~Board of Commissioners~~ City Council.